GOVERNMENT OF ANDHRA PRADESH
A B S T R A C T

MA & UD Department – Dhone Municipality – Construction of 1st Floor of Vegetable Market in Sy.No.544/2, near Old Bus Stand, Dhone – Request to accord permission to avail loan duly mortgaging the project land and to open an escrow account for repayment of loan - Permission – Accorded - Orders – Issued.

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MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT (J2) DEPARTMENT

G.O.Rt.No.278 Dated:26/04/2023.

Read the following:-

1. From the CDMA, A.P., Lr.Roc.No.11037/57/2022/G-Sec, dt.25.01.2023.
2. Govt. Memo.No.1977431/J2/2023, dt.14.03.2023
3. From the C&DMA, Lr. Roc No. 14037/1/2023/G-Sec, dt.23/03/2023.

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O R D E R:-

In the reference 1st read above, the Commissioner & Director of Municipal Administration has requested that to accord permission to the Commissioner, Dhone Municipality, to avail the bank loan of Rs.600.00 lakhs (Rupees Six Crores only) from AP Cooperative Bank(APCOB), Vijayawada by mortgaging the project land for taking up the construction of 1st Floor of vegetable market in Dhone Municipality and to open a separate ESCROW account for repayment of said loan.

2. In the reference 3rd read above, the Commissioner & Director of Municipal Administration has informed that, APCOB have not asked any guarantee from the State Government and they are seeking permission to mortgage the project site for availing Term Loan for construction of First Floor of Vegetable Market in Dhone Municipality and requested to consider the proposal of the Municipal Commissioner, Dhone and accord necessary permissions for availing Term Loan from APCOB, Vijayawada by mortgaging the project land in terms of the Rule (4) of the Andhra Pradesh Municipalities (Acquisition & Transfer of immovable Properties) Rules, 1967 and to open a separate ESCROW Account for this purpose.

P.T.O

3. After careful examination of the proposal, Government hereby accord permission to the Commissioner, Dhone Municipality to avail Term Loan of Rs. 600.00 lakhs (Rupees Six Crores only) from APCOB, Vijayawada for construction of 1st Floor of Vegetable Market in Sy.No.544/2, near Old Bus Stand, Dhone, by mortgaging the project land an extent of 5501.554 Sq.Yards, in terms of the Rule (4) of the Andhra Pradesh Municipalities (Acquisition & Transfer of immovable Properties) Rules, 1967 and there shall be no Government guarantee to the above said loan. Further, the Commissioner, Dhone municipality is also permitted to open a separate ESCROW Account for repayment of said loan, subject to the condition that rental accruals from the present project only permitted to deposit in the Escrow Account to be opened for the purpose of servicing of the loan and the said rentals would not be incurred for any other purpose and that all other incomes / revenues have to be deposited in the General Fund only.

4. The Commissioner & Director of Municipal Administration, Mangalagiri and the Commissioner, Dhone Municipality shall take further necessary action in the matter, accordingly, duly following the Andhra Pradesh Municipalities (Acquisition & Transfer of immovable Properties) Rules, 1967.

5. This order issues with the concurrence of the Finance Department vide U.O.No.FIN01-FMU0MISC/101/2023, dt.20/02/2023 & 12/04/2023.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

SYAMALA RAO JAMJAM
SPECIAL CHIEF SECRETARY TO GOVERNMENT (FAC)

To
The Commissioner & Director of Municipal Administration,
A.P.,Mangalagiri.
The Commissioner,
Dhone Municipality, Nandyala District.
Copy to:-
The Collector & District Magistrate, Nandyala District.
The P.S. to M (MA&UD)
The P.S. to Spl.CS to Government., MA & UD Department.
Sc/Sf(1977431).

//FORWARDED:BY:ORDER//

SECTION OFFICER